

**AMENDMENT TO H.R. 5658, AS REPORTED  
OFFERED BY MR. HENSARLING OF TEXAS AND  
MRS. BLACKBURN OF TENNESSEE**

Add at the end of subtitle D of title III the following  
new section:

**1 SEC. 3 \_\_\_\_ . REPEAL OF ALTERNATIVE FUEL PROCUREMENT  
2 REQUIREMENT FOR FEDERAL AGENCIES.**

**3 (a) FINDINGS.**—Congress finds the following:

**4 (1)** Section 526 of the Energy Independence  
**5** and Security Act of 2007, which restricts the pur-  
**6** chase of fuels not derived from “conventional” petro-  
**7** leum, was included in the legislation “in response to  
**8** proposals under consideration by the Air Force to  
**9** develop coal-to-liquid fuels”, according to the author  
**10** of the section.

**11 (2)** Section 526, though aimed at the Air Force,  
**12** affects the entire Department of Defense and any  
**13** other Federal agency that purchases fuel.

**14 (3)** Section 526, though aimed at coal-to-liq-  
**15** uids, affects all “unconventional” fuels, including oil  
**16** shale, tar sands, heavy oil, and possibly ethanol and  
**17** other biofuels.

1           (4) The Air Force is interested in procuring un-  
2           conventional fuels over the long-term as a way to re-  
3           duce its reliance on fuels from unfriendly or unstable  
4           countries and increasing its use of fuels from North  
5           America.

6           (5) Coal-to-liquids, oil shale, and tar sands are  
7           all abundant in the United States and Canada.

8           (6) The Air Force wants to use its purchasing  
9           power to spur the development of a domestic coal-  
10          based synthetic fuel industry by signing long-term  
11          fuel contracts with coal-based fuel producers, ensur-  
12          ing that producers have a guaranteed market to off-  
13          set the millions of dollars in up-front investment  
14          needed to produce coal-based fuel.

15          (7) Canada is currently the largest United  
16          States oil supplier. It sent 1,800,000 barrels per day  
17          of crude oil and 500,000 barrels per day of refined  
18          products to the United States in 2006, according to  
19          the Canadian Government. About half of Canadian  
20          crude is derived from oil sands, with sands produc-  
21          tion forecast to reach about 3,000,000 barrels per  
22          day in 2015.

23          (8) Section 526 could choke this flow of fuel  
24          from one of the Nation's most reliable allies and eco-  
25          nomic partners.

1           (9) To limit the ability of the Pentagon to get  
2       its fuels from friendly sources and force increased  
3       petroleum importation from unfriendly or unstable  
4       countries does nothing less than put the national  
5       and economic security at risk.

6           (10) The Department of Defense should be al-  
7       lowed to proceed with its vital efforts to increase re-  
8       liance on American and Canadian fuels and reduce  
9       reliance on fuels from overseas.

10       (b) REPEAL.— Section 526 of the Energy Independ-  
11   ence and Security Act of 2007 (Public Law 110–140; 42  
12   U.S.C. 17142) is hereby repealed.

